

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Federal-State Joint Board on	)	CC Docket No. 96-45
Universal Service	)	

**REPLY TO OPPOSITION TO PETITIONS FOR  
RECONSIDERATION AND CLARIFICATION**

The Nebraska Rural Independent Companies (the “Nebraska Companies”),<sup>1</sup> pursuant to Section 1.429(g) of the Federal Communications Commission’s (the “Commission”) Rules,<sup>2</sup> submit this Reply regarding the various Oppositions to Petitions for Reconsideration of the eligible telecommunications carrier (“ETC”) designation *Report and Order*<sup>3</sup> in the above captioned proceeding.

The *Report and Order* addresses the minimum requirements for a telecommunications carrier to be designated as an ETC, and thus eligible to receive federal universal service support.<sup>4</sup> As such, the issue at hand is whether the requirements for a telecommunications carrier to be designated as an ETC adopted by the Commission

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<sup>1</sup> The Nebraska Companies submitting these collective comments include: Arlington Telephone Company, The Blair Telephone Company, Cambridge Telephone Company, Clarks Telecommunications Co., Consolidated Telco, Inc., Consolidated Telecom, Inc., Consolidated Telephone Company, Eastern Nebraska Telephone Company, Great Plains Communications, Inc., Hartington Telecommunications Co., Inc., Hershey Cooperative Telephone Company, Inc., K&M Telephone Company, Inc., Nebraska Central Telephone Company, Northeast Nebraska Telephone Co., Rock County Telephone Company, Stanton Telephone Co., Inc. and Three River Telco.

<sup>2</sup> See 47 C.F.R. § 1.429(g).

<sup>3</sup> See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, FCC 05-46 (“*Report and Order*”) (rel. Mar. 17, 2005).

<sup>4</sup> Id. at para. 1.

are appropriate and accomplish the objectives stated by the Commission – to allow for a more predictable ETC designation process<sup>5</sup> and to improve the long-term sustainability of the universal service fund.<sup>6</sup> The Nebraska Companies believe it is important for the Commission to focus on the issue at hand in evaluating the various Petitions for Reconsideration referenced above and oppositions filed to those petitions.

The Nebraska Companies believe that many irrelevant issues have been raised in the oppositions to Petitions for Reconsideration to divert the focus of the Commission from the relevant issues identified above. For example, issues such as whether a particular carrier may be committing waste, fraud or abuse of the universal service support mechanism,<sup>7</sup> which carrier may be the most efficient provider of telecommunications services,<sup>8</sup> and inaccurate allegations about wireline networks<sup>9</sup> are clearly not relevant in the consideration of the Commission's requirements for ETC designation. In addition, exhibits filed with the *Rural CMRS Carriers' Opposition* are unrelated to the Commission's minimum requirements for ETC designation or its annual reporting requirements, and should not be considered by the Commission.

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<sup>5</sup> Ibid.

<sup>6</sup> Id. at para. 2.

<sup>7</sup> See, for example, *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Opposition to Petition for Reconsideration, The Alliance of Rural CMRS Carriers (filed Aug. 4, 2005) ("*Rural CMRS Carriers' Opposition*") at pp. 4-5.

<sup>8</sup> Id. at pp. 11-12.

<sup>9</sup> Id. at footnote 17 and see Before the Nebraska Public Service Commission, *The Application of Great Plains Communications, et al. for Suspension or Modification of the Federal Communications Commission Requirement to Implement Wireline-Wireless Number Portability Pursuant to 47 U.S.C. §251(f)(2)*, Application Nos. C-3096 et al., Order Granting Suspension ("*Nebraska LNP Order*") (entered July 20, 2004).

The Commission is currently conducting other proposed rulemaking proceedings in this docket to address issues such as waste, fraud, and abuse,<sup>10</sup> and the encouragement of efficiency in the universal service support mechanism.<sup>11</sup> Comments regarding these issues should be filed in the appropriate proceedings, and should not be raised in this proceeding.

The *Rural CMRS Carriers' Opposition* also makes sweeping claims without any substantiation<sup>12</sup> and inaccurately portrays the rationale for state commissions' decisions granting LNP suspensions.<sup>13</sup> The Nebraska Companies urge the Commission to evaluate any claims made in this proceeding in terms of objective evidence, not inflammatory rhetoric. Although the Nebraska Companies could provide additional "sound bites" and "quips" that are inapposite to the documents filed by the *Rural CMRS Carriers*, it would serve no purpose. The Commission must focus on the real issues in this proceeding.

The Nebraska Companies support the requirements for ETC designation that were ordered by the Commission which were subject to Petitions for Reconsideration. The Nebraska Companies believe that the Commission should not alter its requirement for an

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<sup>10</sup> See *Comprehensive Review of Universal Service Fund Management, Administration, and Oversight*, WC Docket No. 05-195, Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, FCC 05-124 (rel. June 14, 2005).

<sup>11</sup> See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order, FCC 4-125 (rel. June 28, 2004) at para. 8.

<sup>12</sup> See, for example, *Rural CMRS Carriers' Opposition* at pp. 11-12, which claims that "telephone service in rural areas around the world in places like Cambodia, India, and Angola are more advanced than many rural areas in the U.S." without citing any studies or statistics to substantiate this claim. Furthermore, as indicated above, the relative efficiency of carriers in providing telecommunications service is not a relevant issue in the instant proceeding.

<sup>13</sup> Id. at footnote 17 and see *Nebraska LNP Order*.

ETC applicant to submit a formal five-year network improvement plan.<sup>14</sup> The Nebraska Companies agree with the National Telecommunications Cooperative Association (“NTCA”) and the Organization for the Promotion and Advancement of Small Telecommunications Companies (“OPASTCO”) that a network improvement plan which provides target completion dates that demonstrate how each project that receives universal service support will ultimately lead to a network that provides coverage throughout an ETC-designated area.<sup>15</sup>

The Nebraska Companies also agree with NTCA and OPASTCO that the build-out of a network capable of serving all customers in a designated service territory upon a reasonable request goes to the very heart of what it means to be an ETC.<sup>16</sup> In addition, the Nebraska Companies urge the Commission to continue to require ETCs to submit information at the wire center level.<sup>17</sup> The Nebraska Companies agree with NTCA and OPASTCO that it is lawful and appropriate for state commissions to determine what constitutes a reasonable request for service for all ETCs that they designate.<sup>18</sup> Finally, the Nebraska Companies believe that states also have the authority to require ETCs to provide equal access in ETC applications before the states.<sup>19</sup>

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<sup>14</sup> See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Opposition to Petitions for Reconsideration and Clarification, The Nebraska Rural Independent Companies (filed Aug. 4, 2005) (“*Nebraska Companies’ Opposition*”) at pp. 2-4.

<sup>15</sup> See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Opposition to Petitions for Reconsideration of the National Telecommunications Cooperative Association and the Organization for the Promotion and Advancement of Small Telecommunications Companies (filed Aug. 4, 2005) (“*NTCA and OPASTCO Opposition*”) at p. 3.

<sup>16</sup> *Ibid.*

<sup>17</sup> See *Nebraska Companies’ Opposition* at pp. 4-6.

<sup>18</sup> See *NTCA and OPASTCO Opposition* at p. 5.

<sup>19</sup> See *Nebraska Companies’ Opposition* at pp. 6-9.

The Nebraska Companies support the Commission's findings in the *Report and Order* and urge the Commission to retain those findings as adopted.

Dated: August 15, 2005.

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The Blair Telephone Company,  
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## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on August 15, 2005, a true and correct copy of the foregoing **Reply to Opposition to Petitions for Reconsideration and Clarification** was transmitted for filing with the Federal Communications Commission by way of its Electronic Comment Filing System, with photocopies of the same being sent via regular U.S. Mail, first class postage fully prepaid, to all parties to the within proceeding as set forth below:

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